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Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-08-31
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2012-08-31
Date of Last Exhibit 300A Update: 2012-08-31
Date of Last Revision: 2012-08-31

Agency: 015 - Department of the Treasury   **Bureau:** 10 - Financial Management Service

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: Payment Application Modernization (PAM)

2. Unique Investment Identifier (UII): 015-000000004

Section B: Investment Detail

1. **Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

   Investment includes Regional Operations (RO) legacy payment apps. and PAM.   PAM is an effort to replace 32+ existing RO legacy payment apps. which generate check, ACH, and Wire Transfer payments (1 billion, $2.3 trillion) on behalf of Federal Program Agencies (FPAs) with a single application. PAM Benefits: -One file format -Consolidation to a modular payment application with common functionality and configuration control   -Data consolidated in a single relational database -Ability to efficiently implement legislative mandated changes in one application   -Ability to respond efficiently to change requests made by FPAs   -Operational efficiencies resulting from significant reduction of required manual and exception processing interventions -Implementation of standard processes and procedures across three Regional Financial Centers (RFCs), allowing the ability to absorb volume into fewer centers -Reduce data center and FMS costs associated with continued maintenance of the 32+ payment applications (file formats)   -Positions FMS to process higher volumes and to expand payment processing to Non-Treasury Disbursed Offices, such as from NTDOs. -Payment application will be aligned with the FMS "to be" Enterprise Architecture (EA) defined by FMS Information Resources. -Implementation of improved BCP, DR and COOP (e.g. one system to recover, rather than 32+ payment applications/file formats) Dependencies: PAM interfaces with numerous Treasury applications (i.e., Treasury Offset Program (TOP), Top Control System (TCS), Secure Payment System (SPS), Internet Payment Platform (IPP), Treasury Check

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Information System (TCIS), Payments, Claims, and Enhanced Reconciliation (PACER), Print Check Enclose (PrinCE), Fed ACH, Government Wide Accounting (GWA), Ca$hTrack, International Treasury Services (ITS.gov), FedWire, and Shared Accounting Module (SAM)). With the implementation of PR 3.0 in November 2010, the majority of these systems are successfully interfacing with PAM in Production. However, with each new release of code, both for PAM and for the respective interfacing systems, testing is required. Aligning all of the impacted systems and coordinating the testing is a complex effort given that each system has specific milestone dates they are working to achieve. Future dependencies for PAM include the post payment system (PACER) and the Payment Information Repository (PIR) that are currently in development. DataStage MVS is supported.

2. **How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

 Similar functionality exists across 32+ applications, which would be improved by implementation of a single application. The legacy applications are written in COBOL and Assembler languages, for which, new resources to support the legacy applications are scarce in the market. Current developers that support the legacy applications are expected to retire approximately within 5-10 years. The legislative mandates to eliminate paper check processing and the reduction of RFCs has also contributed to the need to centralize payment processing.   Gaps addressed by the PAM effort include: multiple payment systems written in outdated languages, loss of resources to support the legacy applications, inability to meet legislative and FPA changes/requests quickly, and labor intensive manual processes. Additional gaps include the following: The legacy applications do not support required Office of Foreign Asset Control (OFAC) screening. The PAM application will interface with ITS.gov to provide OFAC screening. FPA and legislative mandate changes will be configurable in PAM, as opposed to requirements creation, development, testing, and production migration for each change required in each legacy application PAM will also be able to send Same Day Payment Request (Wires) for OFAC screening and for offset for collection of additional delinquent debt. The current legacy applications do not support this functionality. PAM will provide a single payment format, eliminating the need to support 32+ payment formats. This standard format will allow agencies to provide Treasury Account Symbol/Business Event Type Code (TAS/BETC) reporting on each individual payment record that is currently not supported by the legacy applications. PAM will support the below functionality, which currently is not in existence today: -Accept Shared Accounting Module for Agency Location Code (ALC) verification -GWA Difference Reporting, Reports provides GWA with differences between the certified summary accounting records with the detailed payment accounting records. -TAS/BETC Adjustments -IPP acknowledgement; Message Queues (MQ) from Treasury Web Application Infrastructure (TWAI) -TOP Reversals (Enhanced offsetting capabilities) -PIR Alignment; Allows transparency reporting for payments as part of USAspending.gov. PAM is fully funded at this time.

3. **Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.**

 2011: PR 3.0 (Nov. 2010): PR 3.0 closely aligned PAM with the planned implementation of SPS streaming in 2010, which enables TAS/BETC data to flow through PAM in support of

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GWA. Scope included Daily Payments (e.g., travel, salary, and vendor payments). This release provided essentially 80-85% of the full functionality of PAM, with the exception of Holds capabilities. PR 3.1 (May 2011): Functionality included incoming International ACH (IAT) payments through FedACH and the PAM Standard Payment Request (SPR). IAT payments are payments being made through a domestic financial institution to a payee with a foreign address. When an agency has a direct deposit payee with a foreign address, the agency will be required to provide foreign address information to the domestic financial institution. In order for an agency to provide this information, the PAM SPR must be used.

4. **Provide a list of planned accomplishments for current year (CY) and budget year (BY).**

 2012 & 2013: PR 4.0 (Nov. 2011): PR 4.0 includes implementation of the IAT Outgoing File (OFAC Screening) payments and the interface with Fedwire to support wire transfer payments, which is another important function to allow agencies to convert to the SPR and GWA TAS/BETC reporting. -Veteran's Administration Chapter 35 education payments will be converted to the PAM Standard Payment Request (Standard Format). -Social Security Administration conversion to the Standard Payment Request (Standard Format) Following is the functionality that will be included in PR 4.0: -ITS connection -IAT outgoing File (OFAC screening) -Wire payments -Accept Shared Accounting Module for ALC verification -GWA Difference Report -TAS/BETC Adjustments -Tech refresh - DataStage MVS 8.5 -Security Assessment & Authorization (SA&A)-Accreditation PR 4.1 (May 2012): ITS Updates -ITS changes upgrades needed for connections, etc.   -Transmittal to FedACH -IPP acknowledgement –MQ from TWAI -CashTrack delivery – MQ to TWAI -TOP Reversals PR 5.0 (December 2012): Corporate Trade Exchange (CTX) payments and Holds -Support CTX payments, which is the final piece of functionality to support GWA TAS/BETC reporting -Payment holds (standard process) - PIR -Tech refresh – container / tool updates / WebSphere Application Server (WAS) upgrade PR 6.0 (June 2013): User Interface enhancements -Courtesy disbursements -SPR in XML -PrinCE / 1691 / PPR long term -Evaluation of Offsetting Wires.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

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Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding				
	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	$2.8			$0.0
DME (Excluding Planning) Costs:	$45.6	$6.6	$6.4	$6.2
DME (Including Planning) Govt. FTEs:	$21.2	$1.8	$1.9	$1.9
Sub-Total DME (Including Govt. FTE):	$69.6	$8.4	$8.3	$8.1
O & M Costs:	$0.0	$2.6	$2.5	$2.4
O & M Govt. FTEs:	$18.0	$4.2	$4.2	$4.3
Sub-Total O & M Costs (Including Govt. FTE):	$18.0	$6.8	$6.7	$6.7
Total Cost (Including Govt. FTE):	$87.6	$15.2	$15.0	$14.8
Total Govt. FTE costs:	$39.2	$6.0	$6.1	$6.2
# of FTE rep by costs:	340	65	65	65

Total change from prior year final President's Budget ($)		$0.0	$0.0	
Total change from prior year final President's Budget (%)		0.00%	0.00%	

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2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

Compared to the FY 2011 President's Budget request, FMS costs for FY 2011 have decreased and FRB costs have increased. In 4Q FY 2009, FMS requested the FRB assume long-term responsibility for developing and maintaining the PAM application. Therefore, knowledge transfer activities to FMS staff were terminated, resulting in a decrease in FMS FTE costs. FRB costs were increased to reflect the change in the composition of development resources.

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Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy											
Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value ($M)	Type	PBSA ?	Effective Date	Actual or Expected End Date

NONE

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

This investment is not supported by a contractor but is supported via a fiscal agent or inter-agency agreement. The fiscal agent or inter-agency is required to provide ANSI consistent EVM data to the Bureau.

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Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-08-31

Section B: Project Execution Data

Table II.B.1 Projects					
Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost ($M)
41	PR 4.1	Notification to FRB of ACH Transmittal information, Internet Payment Platform (IPP) acknowledgement via MQ from TWAI, Implement Post Print Report findings for 1691 reporting, Generic Types of Payment Configuration Changes, Enhanced Standard Payment Request, and CashTrack delivery via MQ to TWAI.			
4	PR 4.0	Construction, transition, and implementation activities associated with Same-day Pay Request (wires), TAS-BETC adjustments, International ACH Transactions (IAT) outgoing, and Office of Foreign Asset and Control (OFAC)screening interface.			
5	PR 5.0	Requirements, elaboration, construction, and transition activities associated with Corporate Trade Exchange (CTX) processing and standard payment holds process.			

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Table II.B.1 Projects					
Project ID	**Project Name**	**Project Description**	**Project Start Date**	**Project Completion Date**	**Project Lifecycle Cost ($M)**
6	PR 6.0	Courtesy Disbursements, Standard Pay Request in XML, and PRince upgrades.			
42	PR 4.2	Project is focused on the implementation of functionality necessary to support the SPS release that implements the EDA Schema version 4.5.1, and the SSA transition of the monthly benefit payments referred to in legacy as SSA Cycle payments. Functionality includes support of the current version of EDA Schema, Enhanced Standard Pay Request to accommodate all benefit agency payments, and Debt screening for SSA Payments.			
2013-1	PR 2013-1	IRS refund payments will be transitioning to the PAM Standard Payment Request beginning in January 2013. In order to process these payment requests, the PAM Standard Payment Request needs modifications to allow for savings bonds orders requested by tax payers. In addition, PAM will need to build a new outgoing file to order the savings bonds from the SnAP application developed by FRB Cleveland.			
2013-2	PR 2013-2	Scope of this release will be based on RAD session as determined by FMS business owners.			
2014-1	PR 2014-1	Scope of this release will be based on RAD session as determined by FMS business owners.			

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Table II.B.1 Projects					
Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost ($M)

Activity Summary								
Roll-up of Information Provided in Lowest Level Child Activities								
Project ID	Name	Total Cost of Project Activities ($M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance ($M)	Cost Variance (%)	Total Planned Cost ($M)	Count of Activities
41	PR 4.1							
4	PR 4.0							
5	PR 5.0							
6	PR 6.0							
42	PR 4.2							
2013-1	PR 2013-1							
2013-2	PR 2013-2							
2014-1	PR 2014-1							

Key Deliverables								
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
41	PR 4.1 Requirements Analysis	Requirements gathering and analysis for the following: Notification to FRB of ACH Transmittal information, Internet Payment Platform (IPP) acknowledgement via MQ from TWAI, Implement Post Print Report findings for 1691 reporting, Generic Types of Payment Configuration	2011-10-31	2012-03-31	2012-03-31	89	-152	-170.79%

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				Key Deliverables				
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
		Changes, Enhanced Standard Payment Request, and CashTrack delivery via MQ to TWAI						
4	PR 4.0 Transition	Includes Transition and implementation activities including SA&A for wire payments, TAS/BETC adjustments, IAT outgoing, and OFAC screening interface. This activity is complete when PAM's functionality allows agencies to process these payments.	2011-12-03	2012-01-31	2012-01-31	75	-59	-78.67%
42	PR 4.2 Requirements	Documentation and finalization of requirements necessary to support the SPS release that implements the EDA Schema version 4.5.1, and the SSA transition of the monthly benefit payments referred to in legacy as SSA Cycle payments	2012-04-06	2012-05-31	2012-05-31	65	-55	-84.62%
42	PR 4.2 Elaboration	Includes Elaboration activities for implementation of functionality necessary to support the SPS release that implements the EDA Schema version 4.5.1,	2012-04-06	2012-04-06	2012-04-06	25	0	0.00%

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Key Deliverables							
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
		and the SSA transition of the monthly benefit payments referred to in legacy as SSA Cycle payments. This activity is complete when the technical risks have been addressed.						
41	PR 4.1 Transition	Critical defects to address the following and PAM users are able to perform the following: Notification to FRB of ACH Transmittal information, Internet Payment Platform (IPP) acknowledgement via MQ from TWAI, Implement Post Print Report findings for 1691 reporting, Generic Types of Payment Configuration Changes, Enhanced Standard Payment Request, and CashTrack delivery via MQ to TWAI	2012-05-05	2012-04-30	2012-04-30	83	5	6.02%
42	PR 4.2 Construction	Includes development activities and initial testing for implementation of functionality necessary to support the SPS release that	2012-06-29	2012-06-29	2012-06-29	81	0	0.00%

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Key Deliverables								
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
		implements the EDA Schema version 4.5.1, and the SSA transition of the monthly benefit payments referred to in legacy as SSA Cycle payments. This milestone is complete when Functional Freeze occurs and 4.2 functionality is developed.						
5	PR 5.0 Elaboration	Includes development Elaboration activities associated with CTX payments. This activity is complete when the first 5.0 test release commences.	2012-07-13	2012-06-29	2012-06-29	25	14	56.00%
5	PR 5.0 Requirements	Includes requirements analysis associated with CTX payments and standard holds. This activity is complete when all requirements have been submitted and approved by FMS.	2012-07-13	2012-08-14		102	-49	-48.04%
42	PR 4.2 Transition	Includes transition and Implementation activities necessary to support the SPS release that implements the EDA Schema version 4.5.1, and the SSA transition of the monthly benefit payments referred to	2012-07-30	2012-07-27		56	-32	-57.14%

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Key Deliverables							
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
		in legacy as SSA Cycle payments						

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Section C: Operational Data

Table II.C.1 Performance Metrics								
Metric Description	**Unit of Measure**	**FEA Performance Measurement Category Mapping**	**Measurement Condition**	**Baseline**	**Target for PY**	**Actual for PY**	**Target for CY**	**Reporting Frequency**
Number of Production severity 1 problems reported.	Number of severity 1 problems reported	Technology - Reliability and Availability	Under target	4.000000	2.000000	3.417000	2.000000	Monthly
Percentage of check and EFT payments processed accurately and on time.	% of payments processed accurately and on time	Mission and Business Results - Support Delivery of Services	Over target	100.000000	100.000000	99.990000	100.000000	Monthly
Percentage of Federal Program Agencies (FPAs) satisfied with payment processing with their respective servicing Regional Financial Center.	% of FPAs satisfied with their servicing RFC	Customer Results - Service Quality	Over target	95.000000	95.000000	93.800000	97.000000	Monthly
The number of unexpected system/environment errors.	# of errors recognized by PAM	Technology - Reliability and Availability	Under target	988.000000	750.000000	988.000000	750.000000	Monthly
Number of Production modifications required prior to the next major release. (Assumes 2 major releases per year.)	Number of Change Requests (CRs)	Technology - Reliability and Availability	Under target	50.000000	50.000000	50.000000	50.000000	Semi-Annual